AMENDED IN ASSEMBLY MAY 7, 2013 AMENDED IN ASSEMBLY APRIL 25, 2013 AMENDED IN ASSEMBLY APRIL 19, 2013

CALIFORNIA LEGISLATURE—2013-14 REGULAR SESSION

ASSEMBLY BILL

No. 224

Introduced by Assembly Member Gordon

February 4, 2013

An act to amend Section 47000 of, and to add Article 6 (commencing with Section 47060) to Chapter 10.5 of Division 17 of, the Food and Agricultural Code, relating to agricultural products.

LEGISLATIVE COUNSEL'S DIGEST

AB 224, as amended, Gordon. Agricultural products: direct marketing: community-supported agriculture.

Existing law encourages the Department of Food and Agriculture to assist producers in organizing certified farmers' markets, field retail stands, farm stands, and other forms of direct marketing by providing technical advice on marketing methods and in complying with the regulations that affect direct marketing programs.

This bill would require registered California direct marketing producers that are a part of market whole produce, shell eggs, or processed foods through single-farm or multi-farm community-supported agriculture programs, as defined, to-comply with specified requirements, including specifying register annually with the department or a county agricultural commissioner as a California direct marketing producer, and to specify whether the producer is part of a single-farm community-supported agriculture program or a multi-farm community-supported agriculture program, as those terms are defined,

 $AB 224 \qquad \qquad -2 -$

when registering with the department or a county agricultural commissioner as a registered California direct marketing producer. The bill would impose specified requirements relating to the labeling and maintenance of consumer boxes and containers that are used in community-supported agriculture programs to deliver farm products, and would require a registered California direct marketing producers producer to maintain records of the contents and origin of all of the items included in each consumer box or container in accordance with department regulations.

The bill would require a registered California direct marketing producer to pay an annual registration fee of up to \$50, as provided, to be deposited in the Department of Food and Agriculture Fund, which would be used by the department for the administration of the bill's provisions.

Because a violation of various provisions regulating direct marketing, including requirements relating to labeling and shipping products and preparing and submitting specified documents, is a crime, this bill would create new crimes and would therefore impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 47000 of the Food and Agricultural Code 2 is amended to read:
 - 47000. The Legislature finds and declares all of the following with regard to the direct marketing of agricultural products:
- 5 (a) Direct marketing of agricultural products benefits the 6 agricultural community and the consumer by, among other things,
- 7 providing an alternative method for growers to sell their products
- 8 while benefiting the consumer by supplying quality produce at
- 9 reasonable prices.

3

-3- AB 224

(b) Direct marketing is a good public relations tool for the agricultural industry that brings the farmer face-to-face with consumers *and other end users*.

- (c) The *direct* marketing potential of a wide variety of California-produced agricultural products should be maximized and encouraged.
- (d) Farm stands allow farmers to sell fresh produce and eggs grown on their farm as well as other food products made with ingredients produced on or near the farm, thus enhancing their income and the local economy.
- (e) The permitting, regulating, and operating of certified farmers' markets provide the essential core and foundation for the creation and operation of additional nonagricultural vending activities that are ancillary but contiguous to the certified farmers' market, thereby providing a larger community event amenity for business districts and additional revenue for the operators of certified farmers' markets.

(e)

(f) The department should maintain a direct marketing program and—the industry should continue to encourage the sale and purchase of California-grown fresh produce and other California-produced agricultural products.

(f)

(g) It is the intent of the state to promote the *purchase and* consumption of California-grown produce and to promote access to California-produced agricultural products. Restaurants and nonprofit organizations can assist in bringing California-grown products to all Californians.

(g)

(h) A regulatory scheme should be developed that provides the flexibility that will make direct marketing a viable marketing system.

(h)

(i) The department should assist producers in organizing certified farmers' markets, field retail stands, farm stands, community-supported agriculture, and other forms of direct marketing by providing technical advice on marketing methods and in complying with the regulations that affect direct marketing programs.

40 (i)

AB 224 —4—

(*j*) The department is encouraged to establish an ad hoc advisory committee to assist the department in establishing regulations affecting direct marketing of products and to advise the secretary in all matters pertaining to direct marketing.

SEC. 2. Article 6 (commencing with Section 47060) is added to Chapter 10.5 of Division 17 of the Food and Agricultural Code, to read:

Article 6. Community-Supported Agriculture

- 47060. For purposes of this article, the following definitions apply:
- (a) "Community-supported agriculture program" or "CSA program" means a program under which a registered California direct marketing producer, or a group of registered California direct marketing producers, grow food for a group of California consumer shareholders or subscribers who pledge or contract to buy, on a prepayment basis, a portion of the future crop, animal production, or both, of a registered California direct marketing producer or a group of registered California direct marketing producers.
- (b) "Single-farm community-supported agriculture program" means a program in which all delivered farm products originate from *and are produced at* the farm of one registered California direct marketing producer.
- (c) "Multi-farm community-supported agriculture program" means a program in which all delivered farm products originate from *and are produced at* one or more farms of a group of registered California direct marketing producers who declare their association as a group at the time of their annual certification.
- (d) "Farm" means a farm operated by a registered California direct marketing producer or a group of registered California direct marketing producers.
- 47061. (a) A-registered California direct marketing producer that markets whole produce, shell eggs, or processed foods through a single-farm community-supported agriculture program or multi-farm community-supported agriculture program shall comply with all of the following:
- (1) Register annually with the department or a county agricultural commissioner as a registered California direct marketing producer, which shall include the following:

5 AB 224

(A) A statement specifying whether the producer is part of a single-farm community supported agriculture program or multi-farm community-supported agriculture program.

- (B) A signed statement that the producer is in compliance with any applicable on-farm food safety good agricultural practices, as defined by the department, in cooperation with the direct marketing producer industry.
- (2) Label the consumer box or container used to deliver farm products to the consumer with the name and address of the farm delivering the box or container.
- (3) Maintain the consumer boxes or containers in a condition that prevents contamination.
- (4) Inform consumers, either by including a printed list in the consumer box or container or by delivering a list electronically to the consumer, of the farm of origin of each item in the consumer box or container.
- (5) Maintain records that document the contents and origin of all of the items included in each consumer box or container, *in accordance with department regulations*.
- (6) Comply with all labeling and identification requirements for shell eggs and processed foods imposed pursuant to the provisions of the Health and Safety Code, including, but not limited to, the farm's name, physical address, and telephone number.
- (b) A registered California direct marketing producer that complies with the registration requirements pursuant to paragraph (1) of subdivision (a) is in compliance with this section and in good standing shall be deemed an approved source, as defined in Section 113735 of the Health and Safety Code.
- (c) Nothing in this section shall be construed to remove the responsibility of a community-supported agriculture program from obtaining all required permits and licenses, including, but not limited to, a produce handler license or a cottage food permit.
- 47062. (a) The annual registration fee for a registered California direct marketing producer shall be set by regulation enacted by the secretary that is reflective of the actual cost of the processing of registration and any enforcement needs, but in no event shall exceed fifty dollars (\$50) annually.
- (b) Fees collected pursuant to this article shall be deposited in the Department of Food and Agriculture Fund and shall be used

-6-

by the department for the administration of this article. Administration of this article shall include all of the following:

- (1) Creating and maintaining an online process and producer data filing system for registration.
- (1) Create and maintain an online data filing and registration system for California direct marketing producers.
- (2) Reimbursement for expenses incurred by county agricultural commissioners for implementing or aiding in the registration process.
- (3) Coordination expenses incurred relative to meetings and actions of any ad hoc direct marketing advisory committee established by the secretary.
- (c) All or a portion part of the annual registration fee shall be waived when registration for California direct marketing producers is combined with other annual registration or certification processes if fees are paid by a California direct marketing producer for registration or certification under any other program under the purview of this division—where a fee is exacted from the California direct marketing producer for registration or processing.
- (d) The provisions of this article shall be complied with regardless of any waiver of fees granted.
- SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution.